Subject: Re: Fw: This legislation will hurt LA
From: Erich King <erich.king@lacity.org>
Date: 3/19/2019, 9:59 AM
To: Greig Smith <citycouncilguy@yahoo.com>
CC: Stephanie Uy <stephanie.uy@lacity.org>, Colin Crews <colin.crews@lacity.org>, Eric Moody <eric.moody@lacity.org>

On it

Erich King
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On Tue, Mar 19, 2019 at 9:56 AM Greig Smith <citycouncilguy@yahoo.com> wrote:

> Lets get on this
>
> ----- Forwarded Message -----
> **From:** Eric Rose <eric@ekapr.com>
> **To:** Greig Smith <citycouncilguy@yahoo.com>
> **Sent:** Tuesday, March 19, 2019, 8:49:59 AM PDT
> **Subject:** This legislation will hurt LA
>
> Greig,
>
> The proposed legislation by Assemblymember David Chiu to "eliminate poverty-related towing." The OPG's can't oppose this because it will be viewed as self-serving. I hope the City will oppose this legislation. Can you imagine the outrage from residents if the City can't tow motorhomes or cars that are parked for more than 72 hours? Below is the press release that Assemblymember Chiu put out. I am also attaching the "fact sheets" he issued.
>
> Can I draft a motion for your consideration to have the City oppose this bill?
>
> **PRESS RELEASE**

For Immediate Release

March 18, 2019

Jen Kwart, jennifer.kwart@asm.ca.gov, 714.749.2001 (Chiu)

Assemblymember David Chiu Introduces Bill to Eliminate Poverty-Related Towing

Legislation ensures towing is conducted to improve public safety and traffic flow rather than as a debt collection tool that harms low-income people

SAN FRANCISCO—Assemblymember David Chiu (D-San Francisco) introduced a bill today that seeks to end towing practices that harm low-income people. Assembly Bill 516 would eliminate towing conducted as a debt collection tool to compel payment for unpaid parking tickets or expired vehicle registrations.

"Taking someone's car away for the sole reason of collecting a debt is not going to help that person pay that debt," said Assemblymember Chiu. "Towing should be used to ensure proper traffic flow and public safety, not to push poor people further into poverty."

For the tens of thousands of middle- and low-income Californians who have had their vehicles towed every year, it is more than a stressful, expensive inconvenience. A vehicle tow can lead to not only the permanent loss of a car, but also the loss of employment, access to school and medical care, and for some, their only shelter.

In California, it typically costs a minimum of $500 to retrieve a car that has been impounded. If the car was towed in order to collect a debt such as unpaid parking tickets or vehicle registration fees, the owner must first pay off those debts and cover daily vehicle storage fees before they can pay to get their car back from a tow yard, which can approach $1,500.

Many people do not have the means to pay for such large costs. A recent federal report showed that 40 percent of Americans lack the savings necessary to cover an unexpected expense of $400. As documented by *Towed Into Debt*, what this often means is a tow can lead to the permanent loss of a car by the original owner.

When a car owner is unable to pay debts or towing fees, the local government and towing company try to

recover those debts by selling the car at a lien sale. However, the costs associated with the tow, storage, and lien sale fees are often far greater than the amount the vehicles are sold for. Data from municipalities around California show that towed vehicles are usually sold for an average of $2,000 less than what it costs to tow and store the vehicles.

In San Francisco, half of all vehicles towed for debt collection are sold at lien sales, meaning that half of debt collection tows result in no debt collection. The inability to recover the true cost of the tow -- combined with the fact that a majority of debts are never collected -- makes towing as a debt collection tool incredibly ineffective.

This results in a no-win situation for all parties involved. The car owner has lost one's largest economic asset and is pushed deeper into poverty. The tow yard owners must operate at a loss. The local government is unable to collect the original debt that caused the tow.

AB 516 seeks to eliminate the three most common types of poverty-related tows that disproportionately impact low-income people and result in financial losses for local governments and towing companies. Specifically, the bill would prohibit tows where the owner has five or more unpaid parking tickets, where the car registration is more than six months out of date, or where a car has been legally parked for over 72 hours. These tows harm low-income people far more than those with the means to pay parking tickets and registration fees.

This bill leaves intact two dozen other statutory grounds that a local government can rely on to tow a car, ensuring that localities are still able to enforce traffic laws and maintain public safety.

Additionally, if AB 516 is enacted, many other enforcement mechanisms will remain to ensure that Californians who are able to afford to pay parking tickets and registration fees are compelled to do so. Local agencies and state government would still be able to intercept tax refunds, suspend a person's license, enter a civil judgment against an offender, or use bank levies and wage garnishments to compel a person to pay parking tickets and vehicle registration.

The ACLU of California, Lawyers' Committee for Civil Rights, and Western Center on Law and Poverty are co-sponsoring AB 516.

"California's existing towing practices push people deeper into poverty, while doing nothing to benefit local governments," said Maya Ingram, Legislative Attorney with the ACLU of California. "It's time California put an end to this cruel and devastating practice."

"Half of Americans can't afford an emergency $500 expense, but cities across California regularly saddle low-income people with thousands of dollars in unconstitutional towing fees," said Elisa Della-Piana, Legal Director of the Lawyers' Committee for Civil Rights. "These tows violate the Fourth Amendment by robbing people of their ability to get to work - and often their only financial asset - solely on the basis of economic status."

"Towing is an unnecessarily harmful way for local governments to enforce non-safety related laws," said Mike Herald, Director of Policy Advocacy of Western Center on Law and Poverty. "It is the equivalent of using a sledgehammer to crack an egg."

AB 516 is expected to be heard in policy committee in April.

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Assemblymember David Chiu (D–San Francisco) is the Chair of the Housing & Community Development Committee of the California State Assembly. He represents the 17th Assembly District, which encompasses eastern San Francisco. Learn more at: https://a17.asmdc.org/